

Attachment 3

Affidavit of Mark Lovell


AFFIDAVIT OF MARK LOVELL

Mark Lovell, being duly sworn according to law, deposes and says the following:

1. I am the Chief Financial Officer of Tuomey Healthcare System. I have served in that capacity since 2012.
2. Tuomey's fiscal year ends on September 30 of every year. Tuomey is required to and does file Medicare cost reports with the Centers for Medicare and Medicaid Services ("CMS") on an annual basis at the end of each fiscal year.
3. Based on the information reported to CMS in Tuomey's Medicare cost reports for the fiscal years ending in 2005 to 2008, I have calculated the amount by which Medicare reimbursement for inpatient and outpatient hospital services provided by Tuomey was less than Tuomey's costs incurred in providing the services to Medicare beneficiaries. The results of my analysis for each of the fiscal years referenced above is attached hereto and incorporated by reference herein. As indicated by those calculations, Tuomey lost a total of \$21,670,377 in providing care to Medicare beneficiaries during those fiscal years.
4. Tuomey's cost reports for the fiscal years ending September 30, 2006 and September 30, 2007 have been closed. That means that Medicare has made a final determination for the reimbursement due to Tuomey for those fiscal years. Copies of the correspondence from Palmetto GBA, the Medicare administrative contractor that processes claims for reimbursement on behalf of Medicare evidencing that the cost reports have been closed are attached hereto and incorporated by reference herein.

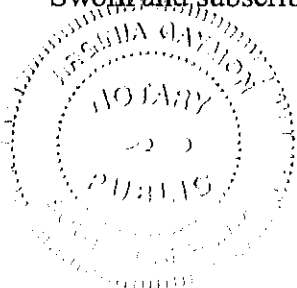
And further affiant sayeth not.

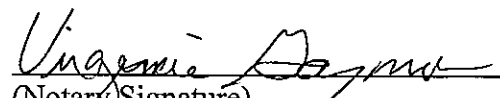
June 3, 2013



Mark Lovell

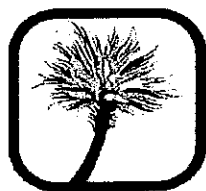
Sworn and subscribed before me, a notary public, this 3rd day of June, 2013.




(Notary Signature)
My Commission Expires
April 25, 2018

**TUOMEY REGIONAL MEDICAL CENTER
MEDICARE REIMBURSEMENT ANALYSIS**

	2005	2006	2007	2008	Total
Medicare Reimbursements	48,553,142	46,266,020	48,255,532	49,344,993	192,419,687
Hospital Medicare Costs	52,290,905	51,543,867	56,193,606	54,061,686	214,090,064
Medicare Loss	<u>(3,737,763)</u>	<u>(5,277,847)</u>	<u>(7,938,074)</u>	<u>(4,716,693)</u>	<u>(21,670,377)</u>



Palmetto GBA
PARTNERS IN EXCELLENCE™

A/B MAC Jurisdiction 11
North Carolina, South Carolina,
Virginia, West Virginia,
Home Health and Hospice

October 29, 2012

Mark Lovell
Vice President/ CFO
Tuomey Regional Medical Center
129 North Washington Street
Sumter, SC 29150-4983

RE: NOTICE OF AMOUNT OF MEDICARE PROGRAM REIMBURSEMENT
FOR: TUOMEY
COST REPORTING FISCAL PERIOD ENDED: SEPTEMBER 30, 2007
PROVIDER NUMBER: 42-0070

Dear Mr. Johnson:

In accordance with Title 42 of the Code of Federal Regulations (42 CFR), Section 405.1889 and Section 405.1803, this is your Notice of Amount of Medicare Program Reimbursement for the cost reporting period indicated above.

As a result of our examination of this cost report, our determination of your Medicare reimbursement for the indicated period is as follows:

PROVIDER NUMBER:	PART A:	PART B:	TOTAL
42-0070	\$221,286	(\$233,789)	(\$12,503)
42-S070	\$0	\$0	\$0
42-T070	\$46,989	\$0	\$46,989
42-5346	(\$79)	(\$26)	(\$105)
42-7078	\$0	(\$1)	(\$1)
42-1509	\$0	\$0	\$0
Final Amount Due (Program)/Provider	\$268,196	(\$233,816)	\$34,380

The amount is scheduled to be paid to your facility within fifteen (15) days. However, if your facility has outstanding liabilities due the Medicare Program, we are obligated to recoup the applicable amounts from the payable above.

If you have questions concerning audit adjustments, please contact me via email at vicky.seward@palmettogba.com. For questions concerning the collection of overpayments, commencement or suspension of withholdings, extended repayment requests or issuance of checks, please contact the Part A Accounts Receivable Department at (866) 830-3455.

Sincerely,

Vicky D. Seward, CPA

Vicky D. Seward, CPA
Supervisor, Provider Audit
Palmetto GBA

Enclosures: Final Cost Report including Adjustment Report
Appeal Rights/Filing Instructions

Reopening Rights/Filing Instructions

www.palmettogba.com Provider Audit (AG-320)
ISO 9001:2000 Post Office Box 100144
Columbia, SC 29202-3144
AU-accept2sett form
Revision 29 10/17/2012 9036735-1034 Fax (803) 935-0248

A CMS Contracted Medicare Administrative Contractor

CMS
CENTERS for MEDICARE & MEDICAID SERVICES

Medicare National Standard Remittance Advice

1609895663

CHECK / EFT NUMBER: EFT9629344

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PAYMENT SUMMARY

PAYMENT TOTAL: 34380.00 BILLING CYCLE: 11/02/2012

TOTAL CLAIMS: 2 TOTAL PIP CLAIMS: 0

FINANCIAL ADJUSTMENTS

OB/AFFILIATE WITHHOLDINGS - SETTL: 12609.00

C5/: -46989.00

**MEDICARE**Part A Intermediary
Part B Carrier

October 5, 2009

Mr. Paul Johnson
CFO
Tuomey Regional Medical Center
129 North Washington Street
Sumter, SC 29150-4983

RE: NOTICE OF AMOUNT OF MEDICARE PROGRAM REIMBURSEMENT
FOR: TUOMEY REGIONAL MEDICAL CENTER
COST REPORTING FISCAL PERIOD ENDED: SEPTEMBER 30, 2006
PROVIDER NUMBER: 42-0070

Dear Mr. Johnson:

In accordance with Title 42 of the Code of Federal Regulations (42 CFR), Section 405.1889 and Section 405.1803, this is your Notice of Amount of Medicare Program Reimbursement for the cost reporting period indicated above.

The issuance of this Notice establishes the date of the intermediary's determination of the amount of program reimbursement for the indicated cost reporting period. Under 42 CFR 405.1885 this determination is subject to reopening by the intermediary, either on its own motion or at your request, at any time within three (3) years from the date of this determination to correct the amount of program reimbursement as reflected on page two of this notice. This determination may not be reopened after the expiration of this three- (3) year period except as provided in 42 CFR 405.1885(d).

The adjustments which produce a difference between the intermediary's determination and your initial cost report are explained on the enclosed adjustment report. The adjustment report reflects the individual adjustments made to your cost report and includes appropriate references to and citations of applicable law, regulations and general program instructions used as the basis for these adjustments. If you have any questions concerning the nature of these adjustments or the reasons for them, please contact this office.

As a result of our examination of this cost report, our determination of your Medicare reimbursement for the indicated period is as follows:

Palmetto GBA**Provider Audit**

Post Office Box 100144 * Columbia, SC 29202-3144

A CMS Contracted Intermediary and Carrier

October 5, 2009
 Notice of Program Reimbursement
 Page Two

PROVIDER NUMBER: 42-0070
 FYE: SEPTEMBER 30 2006

	PROVIDER NUMBER	NET DUE	PREVIOUS SETTLEMENT	TOTAL
PART A:				
HOSPITAL	42-0070	(\$540,522)	(\$1,027,045)	\$486,523
PSYCH UNIT	42-S070	\$0	\$0	\$0
REHAB UNIT	42-T070	(\$204,492)	(\$358,120)	\$153,628
SKILLED NURSING	42-5346	(\$782)	(\$702)	(\$80)
HOME HEALTH	42-7078	\$841,143	\$841,144	(\$1)
HOME SERVICES	42-1509	\$0	\$0	\$0
TOTAL AMOUNT DUE PART A		\$95,347	(\$544,723)	\$640,070
PART B:				
HOSPITAL	42-0070	(\$207,693)	\$9,353	(\$217,046)
PSYCH UNIT	42-S070	\$0	\$0	\$0
REHAB UNIT	42-T070	\$0	\$0	\$0
SKILLED NURSING	42-5346	\$0	\$0	\$0
HOME HEALTH	42-7078	\$0	\$0	\$0
HOME SERVICES	42-1509	\$0	\$0	\$0
TOTAL AMOUNT DUE PART B		(\$207,693)	\$9,353	(\$217,046)
FINAL AMOUNT DUE PROVIDER (INTERMEDIARY)		(\$112,346)	(\$535,370)	\$423,024

If you are dissatisfied with our determination and the amount of program reimbursement in controversy is at least \$1,000.00, you have the right to appeal our determination. To exercise your appeal rights, a written request must be filed within one hundred and eighty (180) calendar days of the date of this Notice of Program Reimbursement. An addendum is enclosed with this letter that outlines the procedures for filing an appeal.

Enclosed you will find your copy of the revised Medicare cost report and related documents. If page two of this Notice of Program Reimbursement reflects an amount due to your facility, a check for that amount will be issued within fifteen (15) days. If an amount is due to the Medicare program, a request for repayment accompanies this notice. That letter explains the conditions governing interest assessments on amounts due to the Medicare program.

An underpayment due to the Provider, if applicable, may be applied to existing overpayments.

If you have questions concerning audit adjustments or previous settlements, please contact the appropriate audit supervisor or manager. For questions concerning the collection of overpayments, commencement or suspension of withholdings, extended payment requests or issuance of checks, please contact the Overpayment department at 803-735-1034, extension 35960.

Sincerely,



Pat Anderson
 Manager, Provider Audit
 Palmetto GBA